

# MUREX N.A., LTD

April 5, 2011

The Honorable Dan Elliott  
Chairman, Surface Transportation Board  
395 E Street SW  
Washington, DC 20423

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Dear Chairman Elliott:

Murex has built a national marketing business based on reliable Rail service and infrastructure. We are very concerned about Surface Transportation Board's consideration of new railroad regulations. Not only am I concerned about public money eventually being spent on tampering with Railroad activities, but also fear the restriction of Railroads ability to invest and manage their business efficiently.


Now is not the time for regulators to promote policies that restrict rail earnings and threaten private investment. Attempts to re-regulate the freight rail industry will have catastrophic results. When the prospects of earning returns on investment decrease and railroads are faced with huge revenue shortfalls, spending on infrastructure and equipment will cease. Existing track and equipment will deteriorate and plans for new capacity will be scraped. Inevitably, rail service will become slower, less responsive, less affordable and less efficient.

We feel this will lead to disastrous consequences for businesses and consumers alike. The federal government should maintain the regulatory framework in place today, one that enables the self-sustaining freight railroads to remain financially healthy and meet the challenges of building a 21<sup>st</sup> century transportation system.

Not only does freight rail deliver what American businesses need and consumers want, but in doing so they create and support vital jobs, provide affordable and efficient service and get American goods to the global marketplace. Freight railroads, unlike other modes of transportation that travel on heavily subsidized highways and waterways, finance nearly all of their infrastructure and equipment spending themselves. Since 1980 they have re-invested \$480 billion in private capital back into their operating network, and for the last three years spent \$10 billion annually growing and modernizing a rail network that is considered the safest, most affordable and most efficient in the world.

With the government under increasing pressure to expand the economy and create jobs, all the while restraining spending growth, any action by the STB to adopt policies that would discourage private investment in this country's transportation infrastructure would be unwise and extremely counterproductive. Instead, the STB should focus its resources on actions that will encourage investment and promote this country's continued economic recovery.

Respectfully,

  
Frank Galieto  
Director, National Accounts  
Murex NA LTD